

Urban food policies

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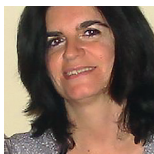
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What market planning policies should apply to urban food systems in developing countries?

Paule Moustier

CIRAD, Joint Research Unit "Markets, Organizations, Institutions and Actors' Strategies"

Public and private issues

In Africa and Asia alike, rural and peri-urban food systems have responded very quickly to cities' growing demand. City dwellers are supplied with food with limited public intervention, in contrast to other services (drinking water, electricity, road maintenance, etc.). Public authorities' responsibility is to facilitate the operations of private food system actors, and especially not to complicate them, so that food supply will be sustainable, i.e. free of any significant shortages, accessible to all, and moderate in its use of scarce resources such as energy and capital.

In developing countries, cities are mostly supplied by the informal sector, which urban authorities generally resist (Cole and Fayissa, 1991). "Informal" does not mean disorganized. Food sectors are organized geographically and characterized by personalized relations (Moustier, 2012).

Levers for action

The main levers for public authorities to act on food distribution are related to the development market infrastructure (renovation or construction of new wholesale or retail markets) and support for new distribution models, such as supermarkets or farmers' markets. Installation of wholesale markets, renovation of retail markets, and

promotion of supermarkets are often done in the name of “modernization”, which seeks the following objectives: transparency and competition; economies of scale; improvement of hygiene; fluidity of transport; control of transactions (taxation, recording). The objective of food security (including food safety), which is less often pursued, nevertheless comes to the fore through favouring direct contacts between producers and consumers (e.g. at farmers’ markets) and promotion of organic agriculture, as in the cases of Brazil and Laos.

Successes and failures

Numerous market redesigns based on the above-mentioned modernization mindset have failed in practice, for the following reasons: they were wrongly located given the traders’ transport constraints, the new infrastructure was too expensive, or users did not support them. To be successful, public action must aim at improving existing facilities. The right means are: concreting and roofing of markets, organization of cleaning services, and the establishment of storage and credit facilities. Again, projects cannot succeed unless traders’ organizations are involved (Paulais and Wilhelm, 2000). Thus, in Tanzania, the EU- and AFD-funded redevelopment of the wholesale maize market in Kibaigwa between 2002 and 2011 has proven successful, judging by its increased volume of trade (Baugé and Berchoux, 2013). It was built on the site of an informal market served by a good road, and the porters’ organization had been involved. In contrast, the Igalaga potato and maize market was set up *ex nihilo*, and farmers have difficulty bringing their crops to market, so it does little business.

Exclusion problems

Promotion of new markets and supermarkets often leads to the exclusion of populations with a low standard of living. When markets are established in urban areas, the result in almost every case is the exclusion of many disadvantaged merchants because points of sale are fewer and more costly. The example of the Shanghai retail markets has been documented by Zhang and Pan (2013), who ascribe the high inflation of 2010 to the privatization of open-air markets. As private operators had no interest in renting unprofitable market stalls, the

number of open-air markets fell sharply. The municipality wants to convert retail markets into supermarkets, but these tend to mishandle fresh produce.

In Hanoi, while food supply is dominated by the numerous retail markets and street sellers, the municipality concentrates its investments on the largest retail markets and supermarkets, exacerbating the problems of employment and access to food for the poor (Moustier *et al.*, 2009; Wertheim-Heck *et al.*, 2015).

Conclusions

Cities in developing countries are characterized by the coexistence of a popular class and a middle class. Hence the diversity of food distribution systems has to be preserved. Out of a concern to modernize trade, municipalities may engender “white elephants” that exclude poor populations. Market redesign may be necessary to relieve congestion in some neighbourhoods, promote competition and improve food quality; it can only be successful, however, where existing food flows are well understood and there is proper consultation with traders, especially on financial aspects. Transaction sites should be conceived differently for short versus long circuits, and for wholesale versus retailing. Those points are illustrated in this chapter by the presentations of cities in Uruguay (Montevideo), Zambia and Mozambique.

Certain priority areas for research can be identified. Often, little is known of the spatial organization of supply flows. It would also be useful to better assess the benefits of centralization and decentralization of distribution in terms of sustainability, especially regarding the access of low-income populations to different types of distribution systems (transportation, price), and the energy cost of each. ★

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